SALEM COUNTY BOARD OF CHOSEN FREEHOLDERS MARCH 12, 2012 SPECIAL MEETING MINUTES 5:00PM

The meeting was called to order by Director Acton: Pledge of Allegiance was followed by prayer offered by Freeholder Laury.

Director Acton - that adequate notice pursuant to the Open Public Meetings Act has been given of this meeting.

On Roll Call, the following Freeholders were present: Deputy Director Laury, Cross, Vanderslice, Ware, Bobbitt, Timberman, and Acton.

ADMINISTRATIVE COMMITTEE - Acton, Vanderslice, Ware

R. 2012-186

ADMINISTRATIVE

FINANCE RESOLUTION REQUESTING TRANSFER OF FUNDS

Deputy Director Laury moved for the adoption of this resolution, with Freeholder Cross seconding his motion. As there was no discussion, the motion for adoption of the foregoing resolution carried a hand vote of 7/0.

R. 2012-187 ADMINISTRATIVE

RESOLUTION APPOINTING LEGAL COUNSEL FOR LITIGATION FOR THE COUNTY OF SALEM AND EXECUTING A PROFESSIONAL SERVICES CONTRACT (\$15,000 - JOSEPH DINICOLA JR. ESQ.)

Freeholder Vanderslice moved for the adoption of this resolution, with Freeholder Cross seconding his motion. As there was no discussion, the motion for adoption of the foregoing resolution carried a hand vote of 7/0.

R. 2012-188 ADMINISTRATIVE

RESOLUTION AUTHORIZING THE SUBMISSION OF A LAYOFF PLAN TO THE NJ CIVIL SERVICE COMMISSION

Deputy Director Laury moved for the adoption of this resolution, with Freeholder Cross seconding his motion.

Freeholder Timberman stated is there any chance you can read that resolution aloud.

Clerk of the Board Gage read the following resolution:

RESOLUTION AUTHORIZING THE SUBMISSION OF A LAYOFF PLAN TO THE NJ CIVIL SERVICE COMMISSION

WHEREAS, the current economic crisis has affected the County of Salem;

AND WHEREAS, the Salem County Board of Chosen Freeholders has exhausted all pre-layoff alternatives:

NOW THEREFORE BE IT HEREBY RESOLVED by the Board of Chosen Freeholders of the County of Salem that a reduction in the County workforce be implemented as a cost-saving measure; and

BE IT FURTHER RESOLVED that the attached Layoff Plans – one per Qualifying Departments and one per Position Elimination – be submitted to the New Jersey Civil Service Commission for review and approval.

Freeholder Timberman stated can you name the positions.

Solicitor Ross Levitsky stated you can I think it's up to you if you want to go through it.

Director Acton stated at this time it is a draft and it may change

Freeholder Ware stated I think one thing all seven freeholders can agree upon is that we are in tough economic times toughest in my 12 years as a freeholder but we knew this six months ago in August and when we met with our CFO and we asked him to call a special meeting to let us know where we are where we are going and what 2012 looked like. He told us it was going to be a terrible year in 2012 and I think we all agreed it was going to be a bad year. So what happened the first of the year, on Reorg you added \$85,000 a year of administrative costs and now we're talking about a layoff plan to layoff of our people the most vulnerable people that need the money they need a job more than anybody else so I cannot support this layoff plan. I've been very consistent in the 12 years as a Freeholder and you hear all this fluff at Reorg about this transparency and openness well I guess that went out the window. Because I received my layoff plan I saw it for the first time 8:00 on Friday night and when I left the last Saturday workshop two weeks ago or three weeks ago we had a budget deficit of 1.6 million dollars and that was the last that I heard and now I see this layoff plan and it's going to save the county \$574,000. Where does the rest of the money come from to balance the budget and how much more in surplus are you using.

Director Acton stated just a couple different things number one we did not create a new position they combined a couple different positions for HR and also the County Administrator. Our County Administrator is not taking any benefits so your past HR Director was taking benefits plus a substantial salary so that is incorrect in that. For the layoff plan we have been in our different workshops in closed session and came up with quite a few different ideas so with all due respect I really am trying to be very transparent with you I know you weren't able to make a couple Admin Meetings and that's been discussed and that's very unfortunate that you couldn't be part of some of those conversations but these are very, very difficult times. I feel like our backs are against the wall and this isn't pleasant for any of us. We really are trying to do our due diligence and trying to affect the least amount of people. And Freeholder Ware asked a question this plan is for \$542,000 in cutting jobs and the other is not union positions so there are some other positions that people have retired we will not refill there are people that have left the counties employment and we will not fill those positions. Unfortunately one or two have passed away that we will not fill those positions so for various reasons we have about 1600 positions that equal almost \$73,000 plus this \$500 and that's where that came up to be.

Freeholder Ware stated at the end of 2011 when Robin Weinstein retired or left whatever you want to call it he was making \$58,335 and we had one person as clerk of the board who was willing to do all three positions at one salary. If we remained in control and we didn't and I understand politics in Salem County it changes we were not going to replace that position and he consented to do all three positions for one salary. Now we hired an administrator at \$80,000 we had Carol Wooten who was making \$39,000 and we added a purchasing agent who's now making \$53,000 which is an increase a Administrator or Deputy Clerk of the Board who is being trained right now which boggles my mind for \$50,000 so a 38 year old math teacher I come up with \$85,000 increase. Deputy County Clerk Herb Stiles position.

Director Acton stated that's because the deputy clerk is leaving and that position will not be filled until the end of the year until next year so actually that will be a savings.

Freeholder Ware stated is Paul Reed being paid now.

Director Acton stated yes.

Freeholder Ware stated is Herb Stiles being paid now.

Director Acton stated Herb Stiles is leaving within the next couple weeks.

Freeholder Timberman stated one correction I wanted to make you said the layoff total came to \$542,000 the last one we just received was \$574,000.

Director Acton stated the CFO put an additional position in there to balance it.

Freeholder Timberman stated I want to concur with Freeholder Ware that is radically different from the one that was presented to the board at our last budget meeting last Saturday. Because this layoff plan solely targets one union and that is the CWA to me it's unfair to request the entire budget be balanced on the backs of our CWA employees I thought the direction that this administrative board gave was to spread the layoffs over eight unions that we have in the county but now it looks like CWA has to come up with the concessions and if they don't if they don't take the ten furlough days or whatever we're asking of them they are facing these layoffs just this union. Yet the higher earning employees of this county have not been asked to do anything so I have a problem with one union being asked to give everything and all the other unions being expected to give up nothing.

Director Acton stated the Sheriff and the Prosecutor they did give up a lot. The Sheriff I'll start with him he is not replacing one retiree employee and one hire that he sincerely needs he's going to put off until next year so that savings is about \$200,000 and the Prosecutor he is delaying one hire this year until the fall and then there's two other positions that he's going to wait until 2013 and that's a savings of \$225,000. With that being said those two departments really did sacrifice in bulk so that comes to \$425,000.

Freeholder Timberman stated that's fine that the departments are sacrificing but we are asking employees the lowest paid county employees to be sacrificed. These are that have families that need their jobs and the benefits to take care of their families and we all know that this economy is horrid everywhere but particularly in Salem County so that's fine that people that retired or moved on are not being replaced but we are laying off if we pass this plan potentially 24 people who have no employment no benefits and to me it's just not fair it's not a balanced way of balancing the budget.

Director Acton stated we have to be really mindful of the discussion of the jail and the correctional facility as Freeholder Cross can tell attest to. If we lay people off at that correctional facility that overtime just shoots up and we're not saving anything in fact he is so understaffed now and that's why that overtime figure is I'll refer to the CFO because I don't want to give you the wrong amount for the overtime of the correctional facility.

CFO stated it's in the 2 million dollar range I can't give you an exact number off the top of my head.

Director Acton stated and that's why we cannot afford to lose any more of those correction facility employees because it just shoots up our overtime and our budget so that's not fiscally responsible. A lot of the prosecutor's office there's state mandates to certain things and he really has sacrificed almost four wages.

Freeholder Bobbitt stated I agree with Beth and Lee as well. I won't be voting for this as well. I was torn between this layoff. I know we have to balance the budget we have to do what we have to do and I understand that. I look at this list and its easy to say we're going to lay these people off but there's names to go with these building service workers these people. There's names, they're Salem County residents that go with this. How would you like to wake up tomorrow morning with a wife and two kids and guess what no benefits. Now what? This is what I say. I say we have to look a little deeper we have to make reduced or cut in services and as Ben said cut programs we can't afford them we have to cuts some services reduce services then we'll advert some of this. That's my opinion. We have to cut some services. You just can't keep all the services and lay people off and keep all these services you have to do some cutting of services in my opinion and that may avert any layoff.

Freeholder Cross stated with all due respect to the comments made by my colleagues on the other side of the isle. I'd just like to bring up one point. When we were sitting in this very room four months ago when we were talking about the discussion division of assets from the sale of Salem County Nursing Home we were asking for money that was rightfully ours gave them a 7 and a half million dollar asset they sold and in the process lost millions. Millions of dollars. In addition when the facility was sold we asked four months ago to have as a part of that discussion that no better time as part of that negation would there be a proper time to take care of our employees and our residents that worked there was there any consideration done for that? None what so ever but now we are sitting here four months later with the addition of those assets and with the greater division of those assets we took on 1.5 million dollars of retirement benefits that we're on the hook for to pay our employees and we got \$850,000 out of it in addition to some previous money that was owed to us for a total of 1.2 million. Had we gotten a better division of those assets there'd be a good chance we would not be sitting here having this meeting today and it's all unfortunate. This is a last ditch effort for each and every one of us. We all agree that layoffs should be one of the last things and being the reason for having balance the budget but let's not lose sight of those things.

Deputy Director Laury stated I agree with all the comments the layoffs would not be the answer that we want it's the answer we've been dealt. For ten years past administrations spent our surplus 17 million down to 3.6 million they've increased our debt almost 50 million its time, now's the time. We can't keep going we've run out of surplus we've increased our debt we've got a point and we've turned it and we've turned stoned after stoned after stoned we've cut our administrative under professionals we've done these things this is another step and this is a plan we need to approach. Whether it comes to exactly this it may or may not it depends on what goes on with negotiations but we've been 10 years getting to this point and now we're here.

Freeholder Vanderslice stated let me just add to that we've been working diligently for months now in fact I very pointedly asked Freeholder Ware if he had any suggestions when we were working in the Admin Committee and he offered none. It's amazing to me how suddenly when there's a microphone and an audience when there's press here that they suddenly have comments that they want to make. That said this is the last thing that we wanted to do and we did everything possible not to get to this point and you can point fingers at various positions it's a matter of running government efficiently and effectively and that's what we are attempting to do.

Freeholder Timberman stated I would like to comment on two of those remarks. First of all I do know that I made comments in the one admin meeting I was invited to and that was to suggest that all the organizational chart administrators take a reduction in pay not just the freeholders. I said it, I asked it and it fell on death ears as far as I know none of the nonunion employees have offered to give back that's number 1. Number 2 I distinctly remember that all of our budgets were past with republicans voting for the budget and the bonds all been voted for go out and bond every single one of them. So with that being said we did not get to this deficit by ourselves we had bipartisan votes. And Freeholder Vanderslice would like to take over the Improvement Authority not considering the debt that they have and I believe that's a 45 million dollar debt so he wants to add to our debt.

Director Acton stated I would like to correct you we did not vote for the last two budgets nor the last bond.

Deputy Director Laury stated the last one we did not.

Director Acton stated and the bonds.

Clerk of the Board Gage stated you had to you need 5 votes.

Director Acton stated I don't know if I did because we just received it like minutes before we had to pass it.

Freeholder Bobbitt stated but did it pass.

Freeholder Timberman stated yes with supermajority.

Freeholder Ware stated I would just like to talk about this bond because I read in the paper about this 74 million dollar debt all the time. Farmland preservation 9 million unanimous vote, 5 Star unanimous vote every vote we had on bonding yes does bonding increase our debt it certainly does but it's been a 7/0 vote and Freeholder Vanderslice no one should know more about a microphone and a media than you.

Director Acton stated I think this was a real good discussion even though we don't agree all I do ask is that we be respectful to each other and I think we are all here for the right reasons and to do our best. This is the hand that we were dealt with its very uncomfortable nobody likes to see this come to this we are very, very extremely mindful of the people's lives we touch not only the employees but the families Our hearts go out to them but we will assist then with the One Stop bottom line hopefully we won't have to get to this but if we do we will be very compassionate towards these people, these folks, these dedicated workers.

As there was no further discussion, the motion for adoption of the foregoing resolution carried a hand vote of 7/3 with Freeholders Ware, Bobbitt and Timberman against.

SOCIAL SERVICES COMMITTEE - Timberman, Bobbitt, Laury

R. 2012-189 SOCIAL SERVICES

RESOLUTION AUTHORIZING EXECUTION OF 2012 CONTRACTS FOR THE YOUTH SERVICES COMMISSION

Freeholder Timberman moved for the adoption of this resolution, with Deputy Directory Laury seconding his motion. As there was no discussion, the motion for adoption of the foregoing resolution carried a hand vote of 7/0.

Director Acton stated I would like to remind everyone out there number 1 thank you very, very much extremely for coming. I know this is right in the middle of your day a beautiful sunny day so thank you. Our next meeting will be March 21st and it will be 7:30 at the Pennsville Municipal Building 5:30 will be a workshop so again thank you all for coming. I have been asked several times whether or not we could pass out this draft layoff plan the folks that are on this list do not know that they are on this list so out of courtesy we're going to notify them and you can always OPRA this request but we could probably give it out within the next couple days.

Deputy Directory Laury moved to adjourn, with Freeholder Cross seconding his motion. As there was no discussion, the motion to adjourn carried a hand vote of 7/0 at 5:27 pm

Respectfully submitted,

Earl R. Gage Clerk of the Board